

SENATE BILL REPORT

E2SHB 2483

As of Second Reading

Title: An act relating to higher education coordination.

Brief Description: Regarding higher education coordination.

Sponsors: House Committee on Ways & Means (originally sponsored by Representatives Seaquist, Haler, Zeiger and Kelley; by request of Governor Gregoire).

Brief History: Passed House: 3/06/12, 64-32.

Committee Activity:

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Background: In 1969 the Legislature established the Council on Higher Education (CHE). CHE only had authority to review and recommend, but maintained strong legislative support. CHE became the Council for Postsecondary Education (CPE) in 1975 when federal legislation required states to establish or designate a single state postsecondary education planning agency to qualify for federal planning and other funds. CPE's administrative responsibilities increased with respect to such programs as financial aid.

The Higher Education Coordinating Board (HECB) was established in 1985 and replaced CPE. The purpose of HECB is to provide planning, coordination, monitoring, and policy analysis for higher education in the state in cooperation and consultation with the institutions, autonomous governing boards, and with all other segments of postsecondary education, including but not limited to, the State Board for Community and Technical Colleges (SBCTC). HECB is a ten-member board that is charged with representing the broad public interest above the interests of the individual colleges and universities.

Major functions of HECB include: (1) developing a statewide strategic master plan for higher education; (2) recommending policies to enhance the availability, quality, efficiency, and accountability of public higher education in Washington; (3) administering student financial assistance programs; (4) serving as an advocate on behalf of students and the overall system of higher education; (5) coordinating with other governing boards and institutions to create a seamless system of public education for the citizens of Washington; and (6) helping families save for college.

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Mandated HECB responsibilities include reviewing, evaluating, and making recommendations on operating and capital budget requests; recommending legislation affecting higher education; recommending tuition and fee levels, and policies; making recommendations on merging or closing institutions and developing criteria identifying the need for new baccalaureate institutions; and approving new degree programs. HECB has a number of administrative functions and duties, most of which pertain to student financial assistance programs and various federal programs.

In 2011 the Legislature abolished HECB and created a Council for Higher Education subject to the recommendation of the Higher Education Steering Committee (Steering Committee), effective July 1, 2012. Additionally, all of the current student financial aid functions performed by HECB, including the administration of the advanced college tuition payment program, are transferred to a newly created Office of Student Financial Assistance (Office). The Office is created as a separate agency of the state.

HECB functions regarding the duty to develop a statewide strategic master plan for higher education, and reporting on state support received by students, the costs of higher education, gender equity, technology degree production, costs and benefits of tuition and fee reciprocity with Oregon, Idaho, and British Columbia, and transmitting undergraduate and graduate educational costs to boards of regents are eliminated.

The Steering Committee was created to establish the purpose and functions of the the Council for Higher Education. The Steering Committee was chaired by the Governor and included four legislators and representation from higher education sectors in the state, and it met four times in 2011 to determine membership and specific functions of the new Council for Higher Education.

Summary of Bill: The Student Achievement Council (Council). The Council is created; the mission of the Council is to (1) propose goals for increasing the educational attainment in Washington and monitor progress toward meeting those goals; (2) propose improvements and innovations needed for educational attainment; and (3) to advocate for higher education. The Council must connect the work of the Superintendent of Public Instruction (SPI), the State Board of Education (SBE), SBCTC, the Workforce Training and Education Coordinating Board (WTECB), and the four-year institutions of higher education, as well as the independent schools and colleges.

Membership. The Council is composed of ten voting members. The voting members include:

- five citizen members, one of which must be a student, appointed by the Governor with the consent of the Senate;
- one representative of an independent, nonprofit institution, appointed by an association of independent nonprofit colleges and universities;
- one representative from the four-year institutions, selected by the institutions' presidents;
- one representative from the K-12 education system, appointed by the SPI, in consultation with the Department of Early Learning and SBE; one representative from community and technical college system, selected by SBCTC; and

- one representative from workforce training, selected by the WTECB.

The representative from the independent, nonprofit institutions must excuse themselves from voting on matters relating primarily to public institutions of higher education. The chair must be selected by the Council from among the citizen members. The chair must serve one year, but may serve longer if selected to do so by membership. Vacancies on the Council must be filled in the same manner as original appointments.

The Council must create advisory committees on an ad hoc basis to (1) obtain input from students, faculty, higher education experts and practitioners, citizens, business and industry, and labor; and (2) inform their research, policy, and programmatic functions.

The Council must employ an executive director. The executive director must be appointed by the Governor from a list of three names submitted by the Council. The Governor may request an additional list of names. The Council has the authority to adopt rules as necessary.

Duties. The Council has the following duties:

- propose educational attainment goals and priorities to meet the state's evolving needs;
- update a short-term strategic action plan every two years, beginning December 1, 2012, and a 10-year roadmap, beginning December 1, 2013;
- conduct strategic planning in order to develop a ten-year roadmap, which includes strategic planning, financing planning and strategic investment, system design and coordination, student transition improvement, and data analysis;
- conduct system reviews;
- facilitate the development and expansion of innovative practices to increase educational attainment;
- use data and analysis produced by the Education Research and Data Center, which includes identifying barriers and recommendations to overcome such barriers, evaluating effectiveness of educational models, identifying best practices, analyzing data from multiple sources, tracking progress toward goals, and communicating results;
- improve student transitions, which includes setting minimum college admission standards for four-year institutions; developing programs to help students prepare for postsecondary college and career programs; recommending coordinating policies; and identifying transition issues and solutions;
- direct the work of the Office, which administers student financial aid programs, including the State Need Grant (SNG), College Bound, the GET program, and Work Study;
- administer state and federal grants and programs;
- protect consumers, which includes approving private degree-granting postsecondary institutions and establishing minimum criteria to assess whether students who attend proprietary institutions should be eligible for SNG and other forms of financial aid;
- adopt residency requirements by rule;
- arbitrate disputes between and among four-year institutions of higher education and community colleges; and
- represent public interests above those of the institutions.

Several additional duties, including developing a needs assessment process, adopting statewide transfer and articulation policies, and administering any federal act, are moved from chapter 28B.76 RCW (HECB) and recodified in chapter 28B.77 RCW.

Budgeting. The Legislature intends for the Council to make budget recommendations for allocations for major policy changes, but not for the Council to review and make recommendations on individual institutional budgets. The Council should prioritize funding needs for the overall system of higher education in accordance with priorities set forth in the ten-year statewide plan. The Council's recommendations should take into consideration the total per-student funding at similar public institutions of higher education in the global challenge states. The Council must develop a prioritized list of capital projects for the Legislature to consider.

Office of Student Financial Assistance. The Office is created within the Council. The Office must employ a deputy director who will serve at the pleasure of the executive director of the Council.

The Joint Higher Education Committee (Committee). A Committee is created. The purpose of the Committee is to review the work of the Council and provide legislative feedback by December 1, 2012; engage with the Council and higher education community to create greater communication, coordination, and alignment between the system and expectations of the Legislature; and provide recommendations for higher education policy, including proposed legislation.

The Committee must consist of eight members: four members must be from the House of Representatives – two from each caucus – and four must be from the Senate –two from each caucus. At least one member from each caucus must be from the Ways & Means Committee, and at least one member from the Higher Education policy committee.

Education Research and Data Center (ERDC). In consultation with the four-year institutions, ERDC must annually develop information on the approximate amount of state support that students receive. In consultation with ERDC, institutions, and state education agencies, the Council must identify data needed to carry out its responsibilities, which includes comparing Washington to the rest of the nation. Assistance to state policymakers and institutions in making policy decisions includes, but is not limited to, regular completion of educational cost-study reports and information on state support; annual reporting of a national comparison of tuition and fees; and per-student funding at similar institutions in the global challenge states.

ERDC must develop standardized methods and protocols for measuring the undergraduate and graduate educational costs for higher education institutions. ERDC must provide annual cost-study reports beginning December 1, 2012. ERDC must determine and report on educational costs to the governing boards of the higher education institutions.

References to the Council for Higher Education, Office of Student Financial Assistance, and Others. Statutory references to HECB are amended to reflect the Council's duties or deleted throughout the Code. Statutes amended include those that reference the Council's duty to recognize by rule accrediting associations that institutions may be accredited by. The

HECB's duty to authorize degree-granting institutions is removed. Technical corrections are made to change Board to Office.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: Yes.

Effective Date: The bill contains several effective dates. Please refer to the bill.